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1                   A bill to be entitled  
2           An act relating to county Medicaid contributions;  
3           amending s. 409.915, F.S.; specifying the total  
4           contribution for certain years and specifying the  
5           method for determining the amount in the following  
6           years; revising the method for calculating each  
7           county's contribution; providing tables for  
8           calculating county contributions; requiring the Agency  
9           for Health Care Administration to annually report the  
10          status of county billings to the Legislature;  
11          authorizing the Department of Revenue to withhold  
12          county distributions for failure to remit Medicaid  
13          contributions; deleting provisions specifying the care  
14          and services that counties must participate in,  
15          obsolete bond provisions, and a process for refund  
16          requests; requiring the agency to provide a report to  
17          the Florida Association of Counties and the  
18          Legislature on the impact on counties of the changes  
19          to the methodology for determining county Medicaid  
20          contributions and other factors; specifying the method  
21          for calculating each county's contribution for the  
22          2013-2014 fiscal year; providing an effective date.

23  
24   Be It Enacted by the Legislature of the State of Florida:

25  
26           Section 1. Section 409.915, Florida Statutes, is amended to  
27   read:

28           409.915 County contributions to Medicaid.—Although the  
29   state is responsible for the full portion of the state share of

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30 the matching funds required for the Medicaid program, ~~in order~~  
31 ~~to acquire a certain portion of these funds,~~ the state shall  
32 charge the counties an annual contribution in order to acquire a  
33 certain portion of these funds for certain items of care and  
34 service as provided in this section.

35 (1) As used in this section, the term "state Medicaid  
36 expenditures" means those expenditures used as matching funds  
37 for the federal Medicaid program.

38 (2) (a) For the 2013-2014 state fiscal year through the  
39 2019-2020 state fiscal year, the total amount of the counties'  
40 annual contribution is \$269.6 million. For each fiscal year  
41 thereafter, the annual amount shall be adjusted by the  
42 percentage change in the state Medicaid expenditures as  
43 determined by the Social Services Estimating Conference.

44 (b) By March 15, 2020, and each year thereafter, the Social  
45 Services Estimating Conference shall determine the percentage  
46 change in state Medicaid expenditures by comparing expenditures  
47 for the 2 most recent completed state fiscal years.

48 (3) (a) 1. The amount of each county's annual contribution is  
49 equal to the product of the amount determined under subsection  
50 (2) multiplied by the sum of the percentages calculated in sub-  
51 subparagraphs a. and b.:

52 a. The enrollment weight provided in subparagraph 2. is  
53 multiplied by a fraction, the numerator of which is the number  
54 of the county's Medicaid enrollees as of March 1 of each year,  
55 and the denominator of which is the number of all counties'  
56 Medicaid enrollees as of March 1 of each year. The agency shall  
57 calculate this amount for each county and provide the  
58 information to the Department of Revenue by May 15 of each year.

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59 b. The payment weight provided in subparagraph 2. is  
 60 multiplied by the percentage share of payments provided in  
 61 subparagraph 3. for each county.

62 2. The weights for each fiscal year are equal to:

<u>WEIGHTS</u>		
<u>FISCAL YEAR</u>	<u>ENROLLMENT</u>	<u>PAYMENT</u>
<u>2013-14</u>	<u>0%</u>	<u>100%</u>
<u>2014-15</u>	<u>0%</u>	<u>100%</u>
<u>2015-16</u>	<u>20%</u>	<u>80%</u>
<u>2016-17</u>	<u>40%</u>	<u>60%</u>
<u>2017-18</u>	<u>60%</u>	<u>40%</u>
<u>2018-19</u>	<u>80%</u>	<u>20%</u>
<u>2019-20+</u>	<u>100%</u>	<u>0%</u>

74 3. The percentage share of payments for each county is:

<u>COUNTY</u>	<u>SHARE OF PAYMENTS</u>
<u>Alachua</u>	<u>1.278%</u>

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78	<u>Baker</u>	<u>0.116%</u>
79	<u>Bay</u>	<u>0.607%</u>
80	<u>Bradford</u>	<u>0.179%</u>
81	<u>Brevard</u>	<u>2.471%</u>
82	<u>Broward</u>	<u>9.226%</u>
83	<u>Calhoun</u>	<u>0.084%</u>
84	<u>Charlotte</u>	<u>0.578%</u>
85	<u>Citrus</u>	<u>0.663%</u>
86	<u>Clay</u>	<u>0.635%</u>
87	<u>Collier</u>	<u>1.160%</u>
88	<u>Columbia</u>	<u>0.557%</u>
89	<u>Dade (Miami-Dade)</u>	<u>18.850%</u>
90	<u>Desoto</u>	<u>0.167%</u>
91	<u>Dixie</u>	<u>0.098%</u>
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93	<u>Duval</u>	<u>5.336%</u>
94	<u>Escambia</u>	<u>1.614%</u>
95	<u>Flagler</u>	<u>0.397%</u>
96	<u>Franklin</u>	<u>0.091%</u>
97	<u>Gadsden</u>	<u>0.239%</u>
98	<u>Gilchrist</u>	<u>0.078%</u>
99	<u>Glades</u>	<u>0.055%</u>
100	<u>Gulf</u>	<u>0.076%</u>
101	<u>Hamilton</u>	<u>0.075%</u>
102	<u>Hardee</u>	<u>0.110%</u>
103	<u>Hendry</u>	<u>0.163%</u>
104	<u>Hernando</u>	<u>0.862%</u>
105	<u>Highlands</u>	<u>0.468%</u>
106	<u>Hillsborough</u>	<u>6.952%</u>
	<u>Holmes</u>	<u>0.101%</u>

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107		
108	<u>Indian River</u>	<u>0.397%</u>
109	<u>Jackson</u>	<u>0.218%</u>
110	<u>Jefferson</u>	<u>0.083%</u>
111	<u>Lafayette</u>	<u>0.014%</u>
112	<u>Lake</u>	<u>1.525%</u>
113	<u>Lee</u>	<u>2.511%</u>
114	<u>Leon</u>	<u>0.929%</u>
115	<u>Levy</u>	<u>0.256%</u>
116	<u>Liberty</u>	<u>0.050%</u>
117	<u>Madison</u>	<u>0.086%</u>
118	<u>Manatee</u>	<u>1.622%</u>
119	<u>Marion</u>	<u>1.629%</u>
120	<u>Martin</u>	<u>0.352%</u>
121	<u>Monroe</u>	<u>0.262%</u>

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122	<u>Nassau</u>	<u>0.240%</u>
123	<u>Okaloosa</u>	<u>0.566%</u>
124	<u>Okeechobee</u>	<u>0.235%</u>
125	<u>Orange</u>	<u>6.680%</u>
126	<u>Osceola</u>	<u>1.613%</u>
127	<u>Palm Beach</u>	<u>5.898%</u>
128	<u>Pasco</u>	<u>2.391%</u>
129	<u>Pinellas</u>	<u>6.644%</u>
130	<u>Polk</u>	<u>3.642%</u>
131	<u>Putnam</u>	<u>0.417%</u>
132	<u>Saint Johns</u>	<u>0.459%</u>
133	<u>Saint Lucie</u>	<u>1.154%</u>
134	<u>Santa Rosa</u>	<u>0.462%</u>
135	<u>Sarasota</u>	<u>1.230%</u>
	<u>Seminole</u>	<u>1.739%</u>

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136	<u>Sumter</u>	<u>0.218%</u>
137	<u>Suwannee</u>	<u>0.252%</u>
138	<u>Taylor</u>	<u>0.103%</u>
139	<u>Union</u>	<u>0.075%</u>
140	<u>Volusia</u>	<u>2.298%</u>
141	<u>Wakulla</u>	<u>0.103%</u>
142	<u>Walton</u>	<u>0.229%</u>
143	<u>Washington</u>	<u>0.114%</u>

144  
145  
146 (b)1. The Legislature intends to replace the county  
147 percentage share provided in subparagraph (a)3. with percentage  
148 shares based upon each county's proportion of the total  
149 statewide amount of county billings made under this section from  
150 April 1, 2012, through March 31, 2013, for which the state  
151 ultimately receives payment.

152 2. By February 1 of each year and continuing until a  
153 certification is made under sub-subparagraph b., the agency  
154 shall report to the President of the Senate and the Speaker of  
155 the House of Representatives the status of the county billings  
156 made under this section from April 1, 2012, through March 31,



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157 2013, by county, including:

158 a. The amounts billed to each county which remain unpaid,  
159 if any; and

160 b. A certification from the agency of a final accounting of  
161 the amount of funds received by the state from such billings, by  
162 county, upon the expiration of all appeal rights that counties  
163 may have to contest such billings.

164 3. By March 15 of the state fiscal year in which the state  
165 receives the certification provided for in sub-subparagraph  
166 (b)2.b., the Social Services Estimating Conference shall  
167 calculate each county's percentage share of the total statewide  
168 amount of county billings made under this section from April 1,  
169 2012, through March 31, 2013, for which the state ultimately  
170 receives payment.

171 4. Beginning in the state fiscal year following the receipt  
172 by the state of the certification provided in sub-subparagraph  
173 (b)2.b., each county's percentage share under subparagraph (a)3.  
174 shall be replaced by the percentage calculated under  
175 subparagraph (b)3.

176 5. If the court invalidates the replacement of each  
177 county's share as provided in this paragraph, the county share  
178 set forth in subparagraph (a)3. shall continue to apply.

179 (4) By June 1 of each year, the Department of Revenue shall  
180 notify each county of its required annual contribution. Each  
181 county shall pay its contribution, by check or electronic  
182 transfer, in equal monthly installments to the department by the  
183 5th day of each month. If a county fails to remit the payment by  
184 the 5th day of the month, the department shall reduce the  
185 monthly distribution of that county pursuant to s. 218.61 and,

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186 if necessary, by the amount of the monthly installment pursuant  
187 to s. 218.26. The payments and the amounts by which the  
188 distributions are reduced shall be transferred to the General  
189 Revenue Fund.

190 ~~(1) Each county shall participate in the following items of~~  
191 ~~care and service:~~

192 ~~(a) For both health maintenance members and fee-for-service~~  
193 ~~beneficiaries, payments for inpatient hospitalization in excess~~  
194 ~~of 10 days, but not in excess of 45 days, with the exception of~~  
195 ~~pregnant women and children whose income is in excess of the~~  
196 ~~federal poverty level and who do not participate in the Medicaid~~  
197 ~~medically needy program, and for adult lung transplant services.~~

198 ~~(b) For both health maintenance members and fee-for-service~~  
199 ~~beneficiaries, payments for nursing home or intermediate~~  
200 ~~facilities care in excess of \$170 per month, with the exception~~  
201 ~~of skilled nursing care for children under age 21.~~

202 ~~(2) A county's participation must be 35 percent of the~~  
203 ~~total cost, or the applicable discounted cost paid by the state~~  
204 ~~for Medicaid recipients enrolled in health maintenance~~  
205 ~~organizations or prepaid health plans, of providing the items~~  
206 ~~listed in subsection (1), except that the payments for items~~  
207 ~~listed in paragraph (1)(b) may not exceed \$55 per month per~~  
208 ~~person.~~

209 ~~(3) Each county shall set aside sufficient funds to pay for~~  
210 ~~items of care and service provided to the county's eligible~~  
211 ~~recipients for which county contributions are required,~~  
212 ~~regardless of where in the state the care or service is~~  
213 ~~rendered.~~

214 ~~(4) Each county shall contribute its pro rata share of the~~

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215 ~~total county participation based upon statements rendered by the~~  
216 ~~agency. The agency shall render such statements monthly based on~~  
217 ~~each county's eligible recipients. For purposes of this section,~~  
218 ~~each county's eligible recipients shall be determined by the~~  
219 ~~recipient's address information contained in the federally~~  
220 ~~approved Medicaid eligibility system within the Department of~~  
221 ~~Children and Family Services. A county may use the process~~  
222 ~~developed under subsection (10) to request a refund if it~~  
223 ~~determines that the statement rendered by the agency contains~~  
224 ~~errors.~~

225 (5) In any county in which a special taxing district or  
226 authority is located which benefits ~~will benefit~~ from the  
227 Medicaid program ~~medical assistance programs covered by this~~  
228 ~~section~~, the board of county commissioners may divide the  
229 county's financial responsibility for this purpose  
230 proportionately, and each such district or authority must  
231 furnish its share to the board of county commissioners in time  
232 for the board to comply with subsection (4) ~~(3)~~. Any appeal of  
233 the proration made by the board of county commissioners must be  
234 made to the Department of Financial Services, which shall ~~then~~  
235 set the proportionate share for ~~of~~ each party.

236 ~~(6) Counties are exempt from contributing toward the cost~~  
237 ~~of new exemptions on inpatient ceilings for statutory teaching~~  
238 ~~hospitals, specialty hospitals, and community hospital education~~  
239 ~~program hospitals that came into effect July 1, 2000, and for~~  
240 ~~special Medicaid payments that came into effect on or after July~~  
241 ~~1, 2000.~~

242 (6) ~~(7)~~ (a) By August 1, 2012, the agency shall certify to  
243 each county the amount of such county's billings from November

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244 1, 2001, through April 30, 2012, which remain unpaid. A county  
245 may contest the amount certified by filing a petition under the  
246 applicable provisions of chapter 120 on or before September 1,  
247 2012. This procedure is the exclusive method to challenge the  
248 amount certified. In order to successfully challenge the amount  
249 certified, a county must show, by a preponderance of the  
250 evidence, that a recipient was not an eligible recipient of that  
251 county or that the amount certified was otherwise in error.

252 (b) By September 15, 2012, the agency shall certify to the  
253 Department of Revenue:

254 1. For each county that files a petition on or before  
255 September 1, 2012, the amount certified under paragraph (a); and

256 2. For each county that does not file a petition on or  
257 before September 1, 2012, an amount equal to 85 percent of the  
258 amount certified under paragraph (a).

259 (c) The filing of a petition under paragraph (a) does ~~shall~~  
260 not stay or stop the Department of Revenue from reducing  
261 distributions in accordance with paragraph (b) and subsection  
262 (7) ~~(8)~~. If a county that files a petition under paragraph (a)  
263 is able to demonstrate that the amount certified should be  
264 reduced, the agency shall notify the Department of Revenue of  
265 the amount of the reduction. The Department of Revenue shall  
266 adjust all future monthly distribution reductions under  
267 subsection (7) ~~(8)~~ in a manner that results in the remaining  
268 total distribution reduction being applied in equal monthly  
269 amounts.

270 (7) ~~(8)~~(a) Beginning with the October 2012 distribution, the  
271 Department of Revenue shall reduce each county's distributions  
272 pursuant to s. 218.26 by one thirty-sixth of the amount

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273 certified by the agency under subsection (6) ~~(7)~~ for that  
274 county, minus any amount required under paragraph (b). Beginning  
275 with the October 2013 distribution, the Department of Revenue  
276 shall reduce each county's distributions pursuant to s. 218.26  
277 by one forty-eighth of two-thirds of the amount certified by the  
278 agency under subsection (6) ~~(7)~~ for that county, minus any  
279 amount required under paragraph (b). However, the amount of the  
280 reduction may not exceed 50 percent of each county's  
281 distribution. If, after 60 months, the reductions for any county  
282 do not equal the total amount initially certified by the agency,  
283 the Department of Revenue shall continue to reduce such county's  
284 distribution by up to 50 percent until the total amount  
285 certified is reached. The amounts by which the distributions are  
286 reduced shall be transferred to the General Revenue Fund.

287 (b) As an assurance to holders of bonds issued before the  
288 effective date of this act to which distributions made pursuant  
289 to s. 218.26 are pledged, or bonds issued to refund such bonds  
290 which mature no later than the bonds they refunded and which  
291 result in a reduction of debt service payable in each fiscal  
292 year, the amount available for distribution to a county shall  
293 remain as provided by law and continue to be subject to any lien  
294 or claim on behalf of the bondholders. The Department of Revenue  
295 must ensure, based on information provided by an affected  
296 county, that any reduction in amounts distributed pursuant to  
297 paragraph (a) does not reduce the amount of distribution to a  
298 county below the amount necessary for the timely payment of  
299 principal and interest when due on the bonds and the amount  
300 necessary to comply with any covenant under the bond resolution  
301 or other documents relating to the issuance of the bonds. If a

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302 reduction to a county's monthly distribution must be decreased  
303 in order to comply with this paragraph, the Department of  
304 Revenue must notify the agency of the amount of the decrease and  
305 the agency must send a bill for payment of such amount to the  
306 affected county.

307 ~~(9) (a) Beginning May 1, 2012, and each month thereafter,~~  
308 ~~the agency shall certify to the Department of Revenue by the 7th~~  
309 ~~day of each month the amount of the monthly statement rendered~~  
310 ~~to each county pursuant to subsection (4). Beginning with the~~  
311 ~~May 2012 distribution, the Department of Revenue shall reduce~~  
312 ~~each county's monthly distribution pursuant to s. 218.61 by the~~  
313 ~~amount certified by the agency minus any amount required under~~  
314 ~~paragraph (b). The amounts by which the distributions are~~  
315 ~~reduced shall be transferred to the General Revenue Fund.~~

316 ~~(b) As an assurance to holders of bonds issued before the~~  
317 ~~effective date of this act to which distributions made pursuant~~  
318 ~~to s. 218.61 are pledged, or bonds issued to refund such bonds~~  
319 ~~which mature no later than the bonds they refunded and which~~  
320 ~~result in a reduction of debt service payable in each fiscal~~  
321 ~~year, the amount available for distribution to a county shall~~  
322 ~~remain as provided by law and continue to be subject to any lien~~  
323 ~~or claim on behalf of the bondholders. The Department of Revenue~~  
324 ~~must ensure, based on information provided by an affected~~  
325 ~~county, that any reduction in amounts distributed pursuant to~~  
326 ~~paragraph (a) does not reduce the amount of distribution to a~~  
327 ~~county below the amount necessary for the timely payment of~~  
328 ~~principal and interest when due on the bonds and the amount~~  
329 ~~necessary to comply with any covenant under the bond resolution~~  
330 ~~or other documents relating to the issuance of the bonds. If a~~

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331 ~~reduction to a county's monthly distribution must be decreased~~  
332 ~~in order to comply with this paragraph, the Department of~~  
333 ~~Revenue must notify the agency of the amount of the decrease and~~  
334 ~~the agency must send a bill for payment of such amount to the~~  
335 ~~affected county.~~

336 ~~(10) The agency, in consultation with the Department of~~  
337 ~~Revenue and the Florida Association of Counties, shall develop a~~  
338 ~~process for refund requests which:~~

339 ~~(a) Allows counties to submit to the agency written~~  
340 ~~requests for refunds of any amounts by which the distributions~~  
341 ~~were reduced as provided in subsection (9) and which set forth~~  
342 ~~the reasons for the refund requests.~~

343 ~~(b) Requires the agency to make a determination as to~~  
344 ~~whether a refund request is appropriate and should be approved,~~  
345 ~~in which case the agency shall certify the amount of the refund~~  
346 ~~to the department.~~

347 ~~(c) Requires the department to issue the refund for the~~  
348 ~~certified amount to the county from the General Revenue Fund.~~  
349 ~~The Department of Revenue may issue the refund in the form of a~~  
350 ~~credit against reductions to be applied to subsequent monthly~~  
351 ~~distributions.~~

352 ~~(8)~~(11) Beginning in the 2013-2014 fiscal year and each  
353 year thereafter through the 2020-2021 fiscal year, the Chief  
354 Financial Officer shall transfer from the General Revenue Fund  
355 to the Lawton Chiles Endowment Fund an amount equal to the  
356 amounts transferred to the General Revenue Fund in the previous  
357 fiscal year pursuant to subsections (4) and (7) ~~subsections (8)~~  
358 ~~and (9), reduced by the amount of refunds paid pursuant to~~  
359 ~~subsection (10),~~ which are in excess of the official estimate

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360 for medical hospital fees for such previous fiscal year adopted  
361 by the Revenue Estimating Conference on January 12, 2012, as  
362 reflected in the conference's workpapers. By July 20 of each  
363 year, the Office of Economic and Demographic Research shall  
364 certify the amount to be transferred to the Chief Financial  
365 Officer. Such transfers must be made before July 31 of each year  
366 until the total transfers for all years equal \$350 million. If  
367 ~~In the event that~~ such transfers do not total \$350 million by  
368 July 1, 2021, the Legislature shall provide for the transfer of  
369 amounts necessary to total \$350 million. The Office of Economic  
370 and Demographic Research shall publish the official estimates  
371 reflected in the conference's workpapers on its website.

372 (9) ~~(12)~~ The agency may adopt rules to administer this  
373 section.

374 Section 2. The Agency for Health Care Administration shall  
375 provide a data report to the Florida Association of Counties  
376 which includes such information as may be necessary for a  
377 comprehensive evaluation of the cost and utilization of health  
378 services by Medicaid enrollees in each county by service type.  
379 The data report shall be provided at least annually at the  
380 request of the association. Copies of the data report shall also  
381 be provided to the Governor, the President of the Senate, and  
382 the Speaker of the House of Representatives. The agency shall  
383 provide other information and assistance requested by the  
384 association in order to assess the impact on counties of the  
385 changes to the methodology for determining county contributions  
386 to Medicaid made by this act and to evaluate the impact of  
387 various Medicaid policies, including the use of diagnosis-  
388 related groups on the reimbursement of hospital inpatient



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389 services and the implementation of statewide managed care,  
390 including managed long-term care. This section is repealed  
391 December 31, 2015.

392 Section 3. Notwithstanding s. 409.915(3) and (4), Florida  
393 Statutes, as amended by this act, the amount of each county's  
394 contribution during the 2013-2014 state fiscal year shall be  
395 determined and provided to the Department of Revenue by the  
396 Agency for Health Care Administration by June 15, 2013. The  
397 Department of Revenue shall notify each county of its annual  
398 contribution by June 20, 2013.

399 Section 4. This act shall take effect upon becoming a law.